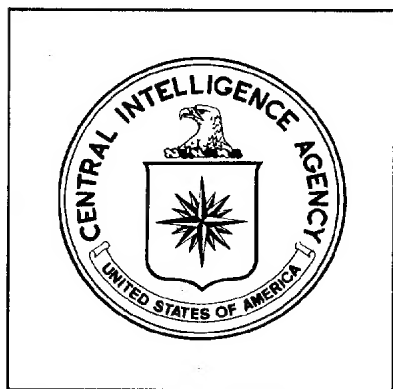


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**Latin America**

# **REGIONAL AND POLITICAL ANALYSIS**

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Jamaica: Tension Between Manley and the Radicals

There is mounting evidence that Prime Minister Manley's recent turn to a more moderate course has provoked a strong reaction from the radical members of the ruling People's National Party and has strained their relationship with the Prime Minister.

Early this year, Manley asked party radicals--headed by Minister of National Mobilization D. K. Duncan and a group of left-wing university political economists--to draft an emergency economic program. Their contribution was long on rhetoric but offered little prospect for redressing the island's grave economic ills. Manley rejected the radicals' draft and turned to the more traditional economists from the moderate wing of his party and to the civil service to devise a plan that would provide some hope of attracting aid from the International Monetary Fund (IMF) and Western countries.

The radicals have taken pains to dissociate themselves from the emergency program and from overtures to Western donors.

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Mexico-US: A New Effort To Solve Old Issues

On May 26, Secretary of State Vance and Mexican Foreign Secretary Roel will establish a new Mexican-US mechanism to negotiate agreements on a whole range of bilateral issues. This arrangement agreed upon in principle by Presidents Carter and Lopez Portillo during the latter's state visit in February, will be a continuing effort operating in the future through assistant secretaries from several cabinet offices on both sides.

The Lopez Portillo administration genuinely hopes the commission will cut through bureaucratic and diplomatic barriers to achieve major progress on outstanding bilateral problems. The Mexicans held out for an opening session in which each country's leading foreign policymaker could be present in order to give the concept a symbolic high-level sendoff. The personalistic Mexican political system, moreover, is unaccustomed to realizing systematic resolution of complex questions without the direct involvement of top-level decisionmakers.

In addition to representatives from as many as seven cabinet offices, the commission will have five working groups to deal with economic, financial, energy, undocumented alien, and border issues. Mexico will be primarily interested in gaining improved access to US markets for its products, measures to increase tourism, US assurances that it will not act unilaterally to solve the undocumented alien problem, US support of Mexico with international lending institutions, and joint promotion of border industries. The Mexicans in turn will address US concerns on these issues, as well as narcotics trafficking and Mexico's future role as a major oil exporter.

These complex questions have defied solution for years, but the Mexican government is optimistic that unprecedented high-level concern over the whole range of outstanding bilateral issues will be the key ingredient in finding answers. [REDACTED]

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Cuba: The Small Farmers Hang Tough

The outcome of the Fifth National Congress of the Cuban National Association of Small Farmers (ANAP) last week indicates that the Cuban government is still having a difficult time convincing the small farmers to give up their privately owned farms. The congress adopted a proposal calling for the "transformation of the current forms of peasant production." The implementation of this resolution apparently will be gradual, but it will eventually require 162,000 farm owners to surrender their small farms to the government. The land and the peasants will then be merged into an existing state farm or into a new cooperative.

Although the resolution passed without difficulty, Cuba's small farmers have little interest in its execution. The peasants are the most conservative and independent members of Cuban society and have been a headache for the Castro regime since the creation of ANAP in 1961. Controlled by the government, the organization includes only farms of 66 hectares (165 acres) or less; larger farms were nationalized during the First and Second Agrarian Reforms of 1959 and 1963.

In theory, the original purpose of ANAP was to increase agricultural production of the small farmers by providing credit grants and guaranteeing the supply of materials needed for production. It was also designed to integrate the farmers into the Cuban Revolution. In practice, it proved less than satisfactory. The chaotic conditions of 1961 made smooth operations impossible. Moreover, the government violated its often repeated pledge to respect the farmers' ownership rights; the properties of farmers who had cooperated with counter-revolutionary bands were frequently confiscated. In addition, local officials, without legal basis, attempted to force farmers to sell their produce exclusively to the state at low prices. As a result, the farmers became increasingly disenchanted with the government, and many chose to throw in their lot with the anti-Castro guerrillas.

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Even after the guerrillas were eliminated, peasant resistance to the Revolution continued. At the Third National Congress of ANAP in 1967, it was publicly acknowledged that serious difficulties remained. Similarly, during the Fourth National Congress in 1971, the ANAP leadership criticized the recalcitrance of the small farmers. The proceedings of that congress included the statement that "the participation of the Cuban peasantry in the economic and social development of the country must be through the progressive incorporation of their lands and labor force into the (state-owned farms) which make possible the massive use of technology and the mechanization of agriculture as the most ideal way of emerging from underdevelopment." Nevertheless, the fourth congress reaffirmed the government's policy of not expropriating small farms unless "exceptional reasons" existed.

The results of the fifth congress which ended on May 17 indicate that little progress has been made toward this goal. Almost every speaker alluded to the necessity for integration of the peasants' land. At the same time, it was emphasized that the process would be gradual and that the state still recognizes the right of the peasants to individually work their own land.

The Cuban government has little choice but to approach gradually the problem of the integration of the peasants' lands. The peasants and their families make up a significant proportion of the Cuban population--over 10 percent--and the Castro regime can ill afford to alienate such a large number of people. Moreover, the small farmers produce a significant amount of the island's agricultural output. They produce 18 percent of Cuba's sugar, most of the coffee and tobacco, almost half of the production of fruit and vegetables, and they control 26 percent of the livestock population.

Given Cuba's current economic difficulties, the government cannot afford to risk a significant drop in agricultural production. Gradually, however, more and more of the peasant land will be absorbed by the national government. The peasant and his way of life are inevitably doomed under the present political system. [REDACTED]

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Honduras: Peasant Land Invasion

Honduran military units have forcefully evicted several hundred peasants who had seized private lands as a protest against the government's failure to expedite land reform, according to press reports from Tegucigalpa.

Last December, former National Agrarian Institute (INA) director Rigoberto Sandoval Corea expropriated about 35,000 hectares belonging to the United Brands Company for redistribution to the peasants. Although Sandoval's excessive zeal in undertaking agrarian reform was praised by the peasants, it led to increased criticism from conservative landowners and moderate government officials, and President Melgar Castro delayed implementation of the decree. Peasant groups began to criticize Sandoval for stalling. Finally, in March, when Sandoval attempted to circumvent the negotiations with the company and proceed with the redistribution, Melgar Castro, with the backing of the moderates, forced Sandoval to resign.

Peasant groups continued to criticize the government for delaying implementation of the decree and began to seize some private lands. The government, trying to avert a confrontation, acted with restraint. It legalized the seizures on the grounds that the lands had been uncultivated by the previous owners and therefore subject to expropriation, and by announcing a preliminary transfer of land compromise with United Brands. The government also reiterated its support for agrarian reform projects. These measures, however, failed to placate the peasants and more land seizures occurred.

Conservative land owners have warned of retaliation against squatters and have pressed the government to act more forcefully. The recent use of military force to evict illegal squatters will stir up the peasants even further; peasant leaders have warned of further confrontations.

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